Carol Teixeira Manager, NY Electric Pricing

nationalgrid

May 22, 2023

VIA ELECTRONIC MAIL

Honorable Michelle L. Phillips, Secretary State of New York Public Service Commission Three Empire State Plaza Albany, New York 12223-1350

RE: Case 15-E-0302 – Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard

Case 15-E-0751 - In the Matter of the Value of Distributed Energy Resources

Dear Secretary Phillips:

The following tariff amendments, issued by Niagara Mohawk Power Corporation d/b/a National Grid (the Company), are being transmitted in compliance with the April 20, 2023 *Order Modifying Clean Energy Standard Tier 1 Obligations* (Order) issued by the New York State Public Service Commission (Commission) in the above case number:

Second Revised Leaf No. 37.2 Fifth Revised Leaf No. 37.3 Second Revised Leaf No. 220.10 Original Leaf No. 220.10.1 Tenth Revised Leaf No. 229.3 Sixth Revised Leaf No. 229.4

To P.S.C. No. 220 Electricity

Effective: June 1, 2023

On November 9, 2022, the New York State Energy Research and Development Authority (NYSERDA) filed a petition proposing to transition the Clean Energy Standard (CES) Tier 1 Renewable Energy Standard (RES) compliance obligation for Load Serving Entities (LSEs) away from the current predetermined percentage-based approach toward a load share approach, similar to other existing LSE obligations under the CES. NYSERDA proposed a new approach that would require LSEs to purchase their load share of the Tier 1 RECs purchased by NYSERDA annually, commencing with compliance year 2025. This modification to the Tier 1 program also included discontinuation of the Alternative Compliance Payments (ACP) calculation as an alternate payment option for LSEs. The Order adopted NYSERDA's proposed changes to the LSE obligations for Tier 1 RECs with modifications.

The Company has added clarifying language to the ACP definition in Rule No. 1 detailing the suspension of this payment option effective January 1, 2025. In addition, corresponding tariff amendments have also been made to Rule No. 40 – Value of Distributed Energy Resources (VDER) Cost

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Recovery, detailing the change in recovery of the VDER Value Stack Environmental Component once the new approach takes effect in 2025. Finally, amendments were made to Rule No. 46 – Supply Services Charges clarifying how the Environmental Component will be recovered in the CES Supply Charge effective January 1, 2025.

Ordering Clause No. 4 of the Order directed utilities to file tariff amendments on not less than ten days' notice, to become effective on a temporary basis on June 1, 2023. Ordering Clause No. 5 of the Order waived the requirements of PSL §66 (12) (b) and 16 NYCRR §720-8.1 concerning newspaper publication of tariff amendments.

Attachment 1 contains the Company's redlined tariff leaves showing where the changes have occurred. Please advise the undersigned of any action taken regarding this filing.

Respectfully submitted,

/s/ Carol Teixeira

Carol Teixeira Manager, NY Electric Pricing

Enc.

cc: F. Thomas Dwyer, DPS Staff, w/enclosure (via e-mail) Sandra Sweet, DPS Staff, w/enclosure (via e-mail) Peter Sheehan, DPS Staff, w/enclosure (via e-mail) Janet Audunson, w/enclosure (via e-mail) Kellie Smith, w/enclosure (via e-mail) Jason Eno, w/enclosure (via e-mail) Joseph Grant, w/enclosure (via e-mail) Michael Duschen, w/enclosure (via e-mail)